

806 KAR 17:500. Basic health benefit plan requirements.

RELATES TO: KRS 304.12-013, 304.14-020, 304.14-120, 304.14-140, 304.14-150, 304.14-180, 304.14-210, 304.14-360, 304.14-440, 304.14-450, 304.17-030, 304.17-042, 304.17-310, 304.17-313, 304.17-3165, 304.17-319, 304.17A-005, 304.17A-096-304.17A-132, 304.17A-135-304.17A-145, 304.17A-148-304.17A-149, 304.17A-155, 304.17A-171, 304.17A-250, 304.17A-258, 304.17A-520, 304.17A-647, 304.18-032, 304.18-0365-304.18-037, 304.18-0985, 304.32-153, 304.32-1585, 304.32-1595, 304.32-280, 304.38-1935 -304.38-1937, 304.38-199, 304.38-210, 29 C.F.R. 2590.702(b), 2590.711, 2590.712, 29 U.S.C. 1185, 42 U.S.C. 300gg-4-300gg-6, 300gg-51, 300gg-52

STATUTORY AUTHORITY: KRS 304.2-110(1), 304.17A-096, 304.17A-097

NECESSITY, FUNCTION, AND CONFORMITY KRS 304.2-110(1) authorizes the executive director to promulgate administrative regulations necessary for or as an aid to the effectuation of the Kentucky Insurance Code as defined in KRS 304.1-010. KRS 304.17A-096 authorizes an insurer that offers a health benefit plan to offer one (1) or more basic health benefit plans in Kentucky. EO 2008-507, effective June 16, 2008, established the Department of Insurance and the Commissioner of Insurance as the head of the department. This administrative regulation establishes the requirements of a basic health benefit plan.

Section 1. Definitions. (1) "Basic health benefit plan" is defined in KRS 304.17A-005(4).

(2) "Department" means Department of Insurance.

(3) "Health benefit plan" is defined in KRS 304.17A-005(22).

(4) "Insurer" is defined in KRS 304.17A-005(27).

(5) "Kentucky insurance code" means the statutes referenced in KRS 304.1-010 and the administrative regulations established in KAR Title 806.

(6) "State mandated health insurance benefit" means a requirement in the Kentucky insurance code that an insurer:

(a) Provide a specified benefit;

(b) Include a specified coverage; or

(c) Pay, indemnify, or reimburse for a specified medical service.

Section 2. Disclosure Statement. A disclosure statement as required under KRS 304.17A-097 shall:

(1) Accompany or be a part of the application for coverage under a basic health benefit plan;

(2) Be included in a basic health benefit plan policy and certificate of coverage;

(3) Meet the same requirements as the minimum standards for the readability and intelligibility of insurance contracts as established in 806 KAR 14:121; and

(4) List the state mandated health insurance benefit excluded in whole or in part from coverage under the basic health benefit plan.

Section 3. State Mandated Health Insurance Benefits. A basic health benefit plan differs from a health benefit plan by the insurer electing to exclude one (1) or more of the following in whole or in part:

(1) Coverage of therapeutic foods, formulas, supplements, and low-protein modified food for the treatment of inborn errors of metabolism and genetic conditions as required under KRS 304.17A-258(2);

(2) Coverage of the treatment of temporomandibular joint disorders and craniomandibular jaw disorders as required under KRS 304.17-319, 304.18-0365, 304.32-1585, 304.38-1937, and 806 KAR 17:090;

(3) Coverage of the treatment of breast cancer by high-dose chemotherapy with autologous bone marrow transplantation or stem cell transplantation as required under KRS 304.17-3165, 304.17A-135, 304.18-0985, 304.32-1595, and 304.38-1936;

(4) Coverage of the treatment of human immunodeficiency virus infections as required under KRS 304.12-013(5);

(5) Coverage of cochlear implants as required under KRS 304.17A-131;

(6) Coverage of the treatment of autism in children as required under KRS 304.17A-143, and 806 KAR 17:460;

(7) Coverage of telehealth services as required under KRS 304.17A-138 and 806 KAR 17:270;

(8) Coverage of anesthesia and hospital or facility charges in connection with dental procedures as required under KRS 304.17A-149 and 806 KAR 17:095;

(9) Coverage of hearing aids and related services as required under KRS 304.17A-132;

(10) Coverage for dependents as required under KRS 304.17-310(1) and (2); or

(11) Coverage of a second opinion as required under KRS 304.17A-520(4).

Section 4. Basic Health Benefit Plan Requirements. (1) Except for the exclusion of a state mandated health insurance benefit as established under KRS 304.17A-096, a basic health benefit plan shall comply with the applicable requirements of a health benefit plan as established under KRS Chapter 304, subtitles 12, 14, 17, 17A, 18, 32, and 38 and 806 KAR Chapters 12, 14, 17, 18, 32, and 38.

(2) A basic health benefit plan shall include a health insurance benefit as mandated under federal law pursuant to KRS 304.17A-096, including a benefit for the following:

(a) Women's health and cancer as identified in 29 U.S.C. 1185b, 42 U.S.C. 300gg-6, or 42 U.S.C. 300gg-52;

(b) Parity in the application of limits to mental health benefits as identified in 42 U.S.C. 300gg-5 and 29 C.F.R. 2590.712 for a group basic health benefit plan;

(c) Newborns' and mothers' health as identified in 29 U.S.C. 1185, 42 U.S.C. 300gg-4, 42 U.S.C. 300gg-51, or 29 C.F.R. 2590.711;

(d) Treatment of an injury that results from an act of domestic violence or a medical condition as identified in 29 C.F.R. 2590.702(b)(2)(iii); and

(e) Nondiscrimination due to genetic information as identified in 29 C.F.R. 2590.702(b)(1) and 2590.702(b)(2)(i)(B).

(3) A basic health benefit plan shall be marketed, distributed, and issued by an insurer in the same manner as a health benefit plan.

Section 5. Annual Reporting Requirements. An insurer offering a basic health benefit plan shall report to the department annually by April 1, on the form HIPMC-BHP-1, Basic Health Benefit Plan Annual Report, incorporated by reference in 806 KAR 17:005, the following information relating to a basic health benefit plan:

(1) Total premium by product type and market segment;

(2) Total enrollment by product type, market segment, and county; and

(3) Total number of individuals not covered under health insurance for a period of at least one (1) year prior to coverage under a basic health benefit plan. (32 Ky.R. 806; Am. 501; eff. 10-7-2005; 34 Ky.R. 1810; 2100; eff. 4-4-2008; 35 Ky.R. 634; eff. 12-5-2008.)